

the amount of stock. The word "difference" seems here to have acquired a technical sense, though on what ground it is difficult to say; it simply indicates the evident fact that by the intervening fall in price in the market I have made a loss on this part of the transaction. Had, on the contrary, the "making-up" price been 126 (the value of the stock having meantime risen since I originally purchased) I should have received the 1 per cent from B instead of being charged with it; in other words, I should have secured a gain on that transaction. I am thus finally a buyer of the amount of stock which I bought at first, but under a new bargain, the completion of which is deferred for a fortnight, that is, until the following Account. The first bargain for the current Account has been closed; a similar bargain for the next account has begun. If, on the other hand, I be a seller at 125 for the Account terminating on June the 26th, I can postpone the delivery of the stock until the ensuing Account on July the 15th by buying, on June the 24th (through a broker), from B at the price of 124, for settlement at the Account on June the 26th, an identical amount of the stock which I had sold. By reason of the "making-up" price being 124, I thus receive the "difference" of 1 per cent, since the "making-up" price is inferior to that at which I originally sold; and I *simultaneously* sell, for completion on July the 15th, the same amount of the same stock at the same price of 124. Hence my purchase has cancelled my first sale, and I am placed in my original position (except as to price) by the second sale, but with the deferment of the time for settlement of the bargain. Had the "making-up" price been 126 (the value of the stock having increased since my first sale) I should have had to pay the difference of 1 per cent. The original bargain made, in respect of both the speculator for the rise and the fall, is *reversed* for the present Account and is *restored* for the subsequent Account. The "difference" being discharged or received, the continuation or carrying over of the bargain is arranged.

Without entering into more details than are requisite for an intelligent

apprehension of the position, it will be noticed that the purchaser who wishes to continue is virtually provided with a loan for purchase of the stock he had contracted to buy,